VZCZCXRO9460 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHBK #1293/01 1190831 ZNY CCCCC ZZH O 280831Z APR 08 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC IMMEDIATE 2813 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHBJ/AMEMBASSY BEIJING PRIORITY 5878 RUEHUL/AMEMBASSY SEOUL PRIORITY 4520 RUEHBY/AMEMBASSY CANBERRA PRIORITY 8628 RUEHKO/AMEMBASSY TOKYO PRIORITY 0650 RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 5146 RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 05 BANGKOK 001293

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E.O. 12958: DECL: 04/28/2018 TAGS: <u>PREL PGOV PHUM KDEM TH</u>

SUBJECT: THAI DEMOCRACY ABROGATED AND RESTORED: LESSONS

LEARNED

REF: 07 BANGKOK 5718 (SUCCESSION MECHANICS)

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Classified By: Ambassador Eric G. John, reason: 1.4 (b) and (d).

#### SUMMARY

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11. (C) Despite Thailand's peaceful transition back to an elected government, underlying tensions between certain social groups remain unresolved. Many Thais initially accepted the September 2006 coup because it offered a way out of a grueling political crisis and appeared to have the King's support. Thais increasingly soured on the military-appointed interim administration as it proved incapable of dealing with difficult problems, but the Army preserved some of its credibility by allowing elections to take place. We do not rule out the possibility of the military taking sides in a continuing conflict between representatives of different social classes; based on the 2006-2007 experience, Thais may trust the military to return to the barracks after political interventions of limited It is unclear how changes in the role of the duration. monarchy would affect the likelihood or dynamics of any potential future coups. Some informed observers speculate that the King's death might spark extra-constitutional action of some sort by the military. The formation of a pro-Thaksin administration in February 2008 reveals limitations on the Palace's power. Foreign pressure contributed to the return to democratically-elected government but did not appear decisive; most Thais in the governing class seemed to accept USG restrictions on assistance as a reasonable response to the 2006 coup, and the fact that these restrictions were grounded in law helped to preserve good will toward the U.S. End Summary.

#### WHAT PROMPTED THE COUP?

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12. (SBU) Military leaders launched the 2006 coup d'etat during a time of protracted political crisis. In 2005, Prime Minister Thaksin Shinawatra's Thai Rak Thai (TRT) party, using a combination of populist appeal and money politics,

won an overwhelming majority in the parliament. Thaksin absorbed into TRT the most successful power brokers in the North and Northeast, as well as their political machines and networks. As it looked increasingly improbable that existing mechanisms could check Thaksin's power, protestors concerned by allegations of corruption and autocratic practices took to the streets, and some prominent figures called (unsuccessfully) for King Bhumibol to intervene under the cover of a vague constitutional provision. Army Commander Sonthi Boonyaratglin and his colleagues launched their coup only after months of widespread angst, periods of mass protests in Bangkok, and when faced with upcoming elections that appeared certain to reinforce Thaksin's political position. In the immediate aftermath, many in Bangkok's middle and upper classes welcomed the coup, and few prominent figures denounced it.

### WHY SUCH TEPID OPPOSITION TO THE COUP?

13. (C) The coup leaders benefited from an appearance of Palace endorsement. King Bhumibol publicly signaled his acquiescence (if not support) when granting an audience to Sonthi and the other coupmakers involved on the night of their coup. Like many of their predecessors, the leaders of the 2006 coup portrayed themselves as forced to act to protect the King, highlighting their allegiance when identifying themselves as (roughly translated) "the Council for Democratic Reform under the Monarchy" (CDRM), and receiving the King's imprimatur in the form of a Royal Command appointing Sonthi as the head of the CDRM. We believe signals of Palace support -- or, at a minimum, acceptance -- played an important role in promoting the public's acceptance of the coup, although other key factors included widespread frustration with the ongoing political crisis and faith in the coup leaders' promise to hold

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elections in approximately one year.

- 14. (C) Politicians, with their lucrative livelihood at stake, were the primary figures pressing publicly for a quick return to a democratically-elected government. Even before the coup, established Thai NGOs -- which traditionally focus on rural development -- for the most part stayed away from debates about national politics. After the coup, few NGOs appeared to contribute meaningfully to pro-/anti-coup discourse; the most visible and active NGOs were newly-formed partisan organizations clearly linked to Thaksin, while even smaller anti-coup groups that emerged were suspected to be mere fronts established by the deposed PM's allies.
- 15. (C) Some student groups adopted positions toward the coup, but students did not mobilize demonstrations, and their collective opinion did not become a meaningful factor, unlike in prior eras. In recent years, political issues generally have not energized Thai students, especially at Bangkok's most prestigious universities; student groups for the most part were not involved in the pre-coup anti-Thaksin protests. It appears that, under contemporary conditions, the authorities would have to egregiously affront the sensibilities of the elite and middle class in order to generate a widespread student response.

#### FOREIGN PRESSURE NOT DECISIVE

16. (C) The coup leaders and the interim administration had many concerns influencing their willingness to proceed with December's election, including their physical safety and prospects for retaining political influence. The stakes for the coup leaders were enormous; they had overthrown one of Thailand's most powerful and vindictive Prime Ministers. Thus, we find it difficult to imagine any set of foreign

Thus, we find it difficult to imagine any set of foreign sanctions that could have had a decisive impact while also being compatible with the longstanding friendship between

Thailand and the West.

- 17. (C) The interim authorities at times demonstrated a willingness to treat foreign attitudes as peripheral. For example, the authorities were slow to rescind martial law in much of the country, even though Surayud offered us his assurance he would proceed rapidly on this oft-raised issue. Nevertheless, the Thai did indicate sensitivity to foreign opinion. When the interim cabinet was inaugurated in October 2006, King Bhumibol specified that repairing Thailand's international image should be a top priority, along with helping flood victims.
- 18. (C) While we believe USG restrictions on assistance to the post-coup regime did not place decisive pressure on the interim administration, our actions clearly registered our view with the Thai public, and especially with those people with ties to the Thaksin administration. The Ambassador has received grateful thanks for the USG's advocacy for democracy from leading PPP figures, including the current Foreign  $\,$ Minister, as well as from leaders of the opposition Democrat Party. The fact that our restrictions on assistance to the interim administration were required by Section 508 of the Foreign Operations Appropriation Act allowed us to convey clearly that our actions constituted a direct response to the coup and were mandated by U.S. law; they were not driven by any agenda to favor any particular political faction (as Thais might otherwise have suspected) and did not imply renunciation of our alliance and friendship with Thailand. Even General Sonthi in July 2007 told the Ambassador and a visiting U.S. Congressman that he understood and accepted our imposition of restrictions.
- ¶9. (C) The greatest confluence between foreign and domestic interests may have lain in the economic realm. The interim authorities set economic policies that imposed costs on Thailand's foreign investors and trade partners. The Thai business community and other opinion-makers realized that economic conditions would continue to stagnate or deteriorate until Thailand returned to traditional political practices

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and restored a sense of stability and predictability, necessary for both foreign and domestic investors.

# WHAT WENT WRONG?

- 110. (C) Within weeks of the coup, the military leadership fulfilled a commitment to hand governance over to a civilian cabinet. While the public had high expectations for interim Prime Minister Surayud Chulanont when he was appointed, many in the political class questioned Surayud's appointment of a cabinet consisting predominantly of senior or retired bureaucrats, 20 of whom were at least 60 years old. With few exceptions (such as controversial efforts at the Health Ministry), Surayud and his cabinet were not inclined to use their authority to push through bold reforms. Rather, most interim administration members seemed content just to keep the government functioning until they could hand the reins over to elected officials. The Ministers who did take energetic action seemed to do so without guidance or control from the Prime Minister. Surayud's administration appeared particularly inept at managing the economy. Moreover, neither prosecutors nor independent corruption investigators proved able to build a compelling legal case against deposed Prime Minister Thaksin.
- 111. (C) Despite government attempts to discredit and marginalize him, Thaksin remained popular, especially in some rural areas. Political figures overtly loyal to him appeared to have access to ample funds for their activities, and they received a fair amount of media coverage. As the December election approached, numerous polls and analyses indicated that the pro-Thaksin People's Power Party (PPP) was likely to win a plurality. Some pro-coup figures appeared reluctant to

return to democracy in that environment, but they were unable to roll back the legal and public commitments to elections, which enjoyed widespread support, including from Prime Minister Surayud and the general public.

# ROYALISTS COULDN'T BLOCK THAKSIN BUT AREN'T VANQUISHED

- 112. (C) The 2007 election provided a useful indicator of the limits of Palace influence. Plausible rumors in the period leading up to the election claimed that Queen Sirikit sought actively to block the return to power of pro-Thaksin forces. We may attribute the failure of such efforts to divisions within the royal family, or to the lack of mechanisms to effectively convey Palace views to the public while maintaining plausible claims that the Chakri dynasty plays an appropriately apolitical role. Whatever the reason, it is clear that the monarchy carries enormous influence but, even when some of its core interests are at stake, lacks full control over the course of events. While the King likely could send blunt signals to achieve virtually any short-term outcome he desires (as in 1992, when he pushed General Suchinda from power), such intervention could transform the role of the royal family in ways that open it up to criticism and, over the long run, jeopardize its current lofty standing.
- 113. (C) PPP's victory in the election marked a setback for the coup leaders. But the failure to block Thaksin's political comeback did not represent capitulation by or marginalization of the royalist oligarchy. With the return to power of a pro-Thaksin government, we may once again see a situation in which a party championing populism and drawing its strength from the countryside moves to accumulate power and prestige at the expense of the Palace and its Bangkok-based blue-blood allies. A fundamental tension between these two camps remains, and it could lead to further bitter conflict, prompting public or private calls for military intervention.

## WHAT THE FUTURE MAY HOLD

114. (C) The factors affecting the likelihood and denouement of future potential coups will change significantly with the

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eventual passing of King Bhumibol. As noted above, by claiming the support of the King, the 2006 coup leaders likely preempted criticism if not outright rejection from some mainstream sectors of society. Bhumibol's currently designated successor, Crown Prince Vajiralongkorn, lacks the current King's extraordinary moral authority, however. Future military leaders may be less inclined to launch a coup, knowing they cannot count on a similarly effective royal blessing to inhibit critics. On the other hand, a weakened monarchy could imply that future coup leaders, without an effective check on their power or an imposing advocate for returning to democracy, would aim to assume the role of the country's supreme authority, resulting in a more assertive (and harder to dislodge) junta.

- 115. (C) We do not rule out the possibility of a palace succession crisis sparking some type of unusual or extra-constitutional action by the military, which could be drawn into disputes between potential royal heirs. That said, we consider it most probable that the King's death would be followed -- at least initially -- by a period of genuine, widespread grief and an orderly succession. (Reftel provides post's understanding of succession mechanics.)
- 116. (C) For the royalist segment of the Bangkok-based political class, however, there is no clear path to perpetuating the monarchy's preeminence after the King's death. The 2007 constitution appeared designed to keep political parties weak and divided; some of the drafters likely hoped that this would not only preclude the

reemergence of TRT in the near term but also prevent any civilian politician from rivaling the King's leadership. Nevertheless, PPP's success in 2007 signals that Thaksin -- with his network, funds, and popularity in rural areas -- remains the dominant force in party politics. And with Thai contacts often acknowledging that they feel significantly more devotion to King Bhumibol than to the institution of the royal family, it is not unreasonable for royalists to view Thaksin as an existential threat to the monarchy, particularly if he is in a position to fill the vacuum that will appear after Bhumibol's death.

COMMENT: COUP DISAPPOINTED BUT DID NOT TRAUMATIZE

117. (C) Even many critics of Thaksin appeared to lose their initial enthusiasm for the interim administration. The coup leaders and their clique relinquished power peacefully, however, when the time they allotted themselves ran out. They did not attempt to perpetuate their hold on power, unlike General Suchinda more than a decade earlier. Members of the political class retain fresh memories of Suchinda, and these influenced post-coup developments -- for example, prompting widespread demands that the 2007 Constitution require that the Prime Minister be an elected legislator, to preclude repetition of the scheme that led to a bloody, traumatizing clash in 1992.

118. (C) With the passage of time, the coup leaders and the interim administration may be remembered primarily not for their failings and discord, but rather for offering a solution, imperfect though it was, to the 2005-06 political crisis. The Army provided the means to force Thaksin to "take a break," as many of his critics had urged, and, through the 2007 election, to allow a referendum on his governance under conditions that were more balanced than the (subsequently nullified) elections that took place in the spring of 2006. The return to power of a pro-Thaksin party showed that the coup leaders failed to achieve their fundamental goal of ridding the country of Thaksin's influence -- or, indeed, to achieve much at all. But the willingness of the authorities to allow a pro-Thaksin party to return to power in democratic elections may reinforce the notion that the Thai military is suited to play a special role in difficult times, and that it can be trusted to return to the barracks after calming troubled waters. In the Thai collective mind, the 2006-07 experience neither inspired accolades for military intervention nor established it as

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inevitably disastrous. JOHN